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THE AGRICULTURAL SITUATION

A Brief Summary of Economic Conditions

ISSUED MONTHLY BY THE BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

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SOME SHIFT IN CROP PLANS, ESPECIALLY IN SOUTH

The season appears to be fully two weeks early. Frost is out of the ground and spring work coming into full swing over most of the country. In the North, storms have kept the land from drying out in some localities but a good share of early grain is sown and fields are being fitted for later crops. The early crops and general field work are markedly advanced in the South. The Southwest, especially, presents a very promising picture as to grains and forage crops. Fruit is unusually advanced almost everywhere. Frost did some damage to peaches and early truck during March and there is still a considerable frost hazard this month for fruits and tender truck crops.

Reports from about 50,000 farmers to this bureau, made as of March 1, indicate intentions to increase the acreage of corn this season about 2 per cent, oats 3 per cent, barley 14 per cent, potatoes 15 per cent, sweet potatoes 32 per cent, peanuts 38 per cent; and to decrease acreages of flax 11 per cent, rice 7 per cent, tobacco 3 per cent.

In general, these plans reflect an intended shift in acreages rather than any substantial change in total production. The South is apparently planning about a 6,000,000-acre increase in feed and food crops. Presumably, this is part of a readjustment in the Cotton Belt. The North and West apparently plan about a 3,000,000-acre ($1\frac{1}{2}$ per cent) increase in their principal crops. This would little more than replace acreage lost by drought in the Great Plains last year.

If conservatism is to be recommended on any part of this intended program, it should probably apply at least to the cash crops, especially potatoes. The intended potato acreage, with average yields, would produce some 410,000,000 bushels, or near a record crop. True, that would mean only about 3.45 bushels per capita, but it would be a sharp increase over the crops of the last two years.

The country is going into the new season without carrying burdensome stocks. March reports showed only about 14,000,000 bushels more potatoes stored than a year ago. There are around 380,000,000 bushels less of feed grains on hand than last year. Even the carry-over of cotton will be much less than was thought probable a few months ago. All told, the 1927 production program appears to be in fairly good balance, but the weather, as usual, will be a decisive factor.

KEY REGIONS AT A GLANCE

The East.—Some oats sown in north and considerable plowing done. Early crops going into ground farther south. Fruit abnormally advanced with possibility of frost damage. Winter grain shows fairly good stands except from some late seeding. Pastures will furnish early feed. Dairy industry continues in relatively favorable position with profitable spread between milk and feed prices.

The South.—Season unusually advanced. Nearly month ahead of last year, except in northern Texas and Oklahoma. Considerable frost damage reported to peaches in Alabama and Carolinas, also to other fruit and tender truck in Florida and elsewhere. Winter grains generally looking good and being widely pastured. Heavy shipments of strawberries and vegetables. Cotton being planted along Gulf territory. More talk of reducing acreage in east than in west. South apparently intending to diversify crops more extensively this year but information is not yet very definite on that point.

Corn Belt.—Weather mild and fruit well advanced, but land was slow to dry out in many areas. Oat sowing well along. Winter wheat looking rather spotted, early sown better than late. Fair amount of plowing done. Reports indicate slightly less corn to be planted this year. Still optimistic on hog situation. Lamb feeders reported as doing fairly well. General sentiment of region about like last year except as affected by more favorable spring.

Wheat Belt.—Winter wheat made rapid growth except in certain local areas like northeastern Kansas. Very promising stand in the southwest generally. Some early spring wheat seeded but work is just getting well under way in most of the north. General conditions as to soil moisture and earliness of the season are reported unusually favorable. Reports indicate intention of growers to increase durum acreage about 14 per cent and to decrease other spring wheat slightly (about 1 per cent.)

Range Country.—Not favored by the early spring weather that has been general elsewhere. Been cold, stormy and backward, especially in north. Weather last month unfavorable for calves and lambs with some losses. Snow and rains did benefit crop land and ranges and snow in mountains appears to assure water this summer. Live-stock generally in fair to good condition. On range in south but feeding has been quite general in north, with rather serious feed shortage in some local areas. General attitude of both cattle and sheep raisers optimistic.

Pacific Coast.—Fruit and crop development retarded by cool weather in north. Land slow to dry out. Winter wheat looking very well. Season getting under way in California, though weather has been cool lately. Grain coming up to good stands in interior valleys. Truck crops have made fair progress. Spinach, lettuce, and pea harvest well along. Strawberry shipments heavy from South. Picking naval oranges.

INTENDED PLANTINGS IN 1927 IN PER CENT OF ACREAGE GROWN FOR HARVEST IN 1926

Crop	United States	North Atlantic	North Central	South Atlantic	South Central	Western
	<i>Per cent</i>	<i>Per cent</i>	<i>Per cent</i>	<i>Per cent</i>	<i>Per cent</i>	<i>Per cent</i>
All spring wheat.....	101. 6	129. 4	105. 2	-----	-----	92. 8
Durum wheat.....	¹ 113. 8	-----	-----	-----	-----	-----
Other spring wheat.....	¹ 98. 9	-----	-----	-----	-----	-----
Corn.....	101. 8	100. 6	98. 1	103. 0	112. 8	101. 1
Oats.....	103. 2	104. 2	101. 7	112. 0	111. 7	101. 5
Barley.....	114. 3	108. 7	115. 1	110. 3	165. 9	102. 2
Flaxseed.....	88. 7	-----	87. 2	-----	-----	113. 0
Rice.....	93. 0	-----	115. 0	100. 0	88. 8	115. 0
Grain sorghums.....	96. 5	-----	104. 9	-----	92. 0	108. 8
Tame hay.....	101. 8	99. 9	101. 3	111. 7	108. 7	97. 4
Peanuts.....	138. 3	-----	-----	125. 0	166. 5	-----
Potatoes.....	114. 9	110. 7	114. 0	112. 8	126. 5	119. 5
Sweet potatoes and yams.....	132. 5	94. 4	108. 3	120. 0	147. 7	93. 3
Tobacco.....	96. 7	105. 0	94. 4	107. 0	78. 9	-----

¹ Includes only the four States of Minnesota, North Dakota, South Dakota, and Montana.

A reduction in corn of about 2 per cent or 1,200,000 acres is intended in the North Central States where two-thirds of the corn crop is usually produced. The 1927 intended acreage in these States with average yields would produce about 1,993,000,000 bushels as compared with 1,786,000,000 bushels in 1926 or an increase in production of nearly 12 per cent. An increase of about 11 per cent or 3,085,000 acres in the 12 cotton States, with average yield would result in a production of 540,000,000 bushels in 1927. This would be about 7 per cent less than last year's crop of 581,000,000 bushels, which was above average because of unusually high yields per acre.

For the United States as a whole farmers plan an increase of 3 per cent in the acreage of oats. Producers in the North Central States, with three-fourths of the oats acreage, plan less than a 2 per cent increase, while in the South Atlantic and South Central States an intention to increase over 11 per cent is shown. In the North Atlantic and Western States more moderate increases are intended. With average yields, the intended acreage would produce over 1,400,000,000 bushels, considerably larger than the 1926 crop, but below the 2 large crops of 1924 and 1925.

Farmers reported an intention to increase all spring wheat about 2 per cent over the acreage harvested last year. In the 4 principal hard spring wheat States, Minnesota, North Dakota, South Dakota, and Montana, there is an indicated decrease of about 1 per cent in hard red spring wheat and an intention to increase durum wheat about 14 per cent. The far western States report intentions to plant nearly 7 per cent less spring wheat. This decrease on the Pacific coast is due to the return to usual acreage of winter wheat.

AVERAGE PRICES OF FARM PRODUCTS RECEIVED BY PRODUCERS

Actual prices received by producers at local farm markets as reported to the division of crop and livestock estimates of this bureau. Average of reports covering the United States, weighted according to relative importance of district and State.

	5-year average, August, 1909- July, 1914	February average, 1910- 1914	Febru- ary, 1926	January, 1927	Febru- ary, 1927
Cotton, per lb.....cents--	12. 4	12. 3	17. 6	10. 6	11. 5
Corn, per bu.....do----	64. 2	60. 1	68. 5	64. 3	66. 5
Wheat, per bu.....do----	88. 4	89. 2	155. 5	122. 2	122. 8
Hay, per ton.....dollars--	11. 87	12. 02	13. 03	13. 38	13. 64
Potatoes, per bu...cents--	69. 7	66. 3	226. 0	139. 1	134. 1
Oats, per bu.....do----	39. 9	39. 8	39. 2	42. 6	43. 4
Beef cattle, per 100 lbs. -----dollars--	5. 22	5. 11	6. 42	6. 45	6. 60
Hogs, per 100 lbs...do----	7. 23	7. 12	11. 76	10. 97	11. 19
Eggs, per dozen....cents--	21. 5	23. 9	28. 9	36. 9	29. 0
Butter, per lb.....do----	25. 5	26. 6	42. 7	44. 0	43. 7
Butterfat, per lb...do-----			43. 1	46. 9	46. 8
Wool, per lb.....do----	17. 7	18. 5	37. 7	30. 9	31. 1
Veal calves, per 100 lbs. -----dollars--	6. 75	6. 77	9. 86	9. 75	10. 10
Lambs, per 100 lbs.do-----	5. 91	5. 95	12. 02	10. 65	10. 84
Horses, each.....do----	142. 00	143. 00	79. 53	73. 00	77. 00

On February 15 the general level of farm prices, for the first time in five months, increased over the preceding month. The increase of one point was from 126 per cent of pre-war level on January 15 to 127 per cent on February 15. All groups of agricultural commodities showed an increase except dairy and poultry products, which usually decline at this season of the year, and the unclassified groups.

The increase in the farm price of cotton and cotton seed from 85 to 94 per cent of the pre-war level was more than offset by the decline in egg prices from 172 to 135 per cent; a year ago the decline in egg prices was from 169 to 134 per cent. All important agricultural products advanced in price except potatoes, butter, butterfat and eggs.

For the first time in three years, the prices of chickens failed to show an increase over the corresponding month of the year before. While the farm prices of horses and mules showed about the usual seasonal advance from January 15 to February 15, horses are about \$2 lower and mules about \$8 lower than a year ago.

The corn hog ratio on February 15 was 17 as compared with 17 for the past four months and 17 in February a year ago, and 17 was also the annual average for 1926.

PRICE INDEXES FOR FEBRUARY, 1927

Farm products figures from this bureau; commodity groups from Bureau of Labor Statistics (latter shown to nearest whole number), shows year ago and latest available month.

FARM PRODUCTS

[Prices at the farm; August, 1909–July, 1914=100]

	Febru- ary, 1926	Janu- ary, 1927	Febru- ary, 1927	Month trend
Cotton.....	143	85	93	Higher.
Corn.....	107	100	104	Do.
Wheat.....	176	138	139	Do.
Hay.....	109	113	115	Do.
Potatoes.....	324	200	192	Lower.
Beef cattle.....	123	124	127	Higher.
Hogs.....	162	152	155	Do.
Eggs.....	134	172	135	Lower.
Butter.....	167	173	171	Do.
Wool.....	212	174	175	Higher.

COMMODITY GROUPS

[Wholesale prices; 1910–1914=100] ¹

	Febru- ary, 1926	Janu- ary, 1927	Febru- ary, 1927	Month trend
Farm products.....	150	137	137	Unchanged.
Food, etc.....	152	149	147	Lower.
Cloths and clothing.....	188	171	172	Higher.
Fuel and lighting.....	208	209	205	Lower.
Metal and metal products.....	138	133	131	Do.
Building materials.....	182	175	173	Do.
Chemicals, etc.....	131	121	121	Unchanged.
House-furnishing goods....	170	163	163	Do.
All commodities.....	158	150	149	Lower.

¹ Bureau of Labor Statistics index numbers converted to 1910–1914 base.

RELATIVE PURCHASING POWER

[At February, 1927, farm prices; August, 1909–July, 1914=100]

In terms of—	Of a unit of—				
	Cotton	Corn	Wheat	Hay	Potatoes
All commodities.....	62	69	93	77	129
Cloths, etc.....	54	60	81	67	112
Fuel, etc.....	45	50	68	56	94
Metals, etc.....	71	79	106	88	147
Building materials.....	54	60	80	66	111
House-furnishing goods....	57	64	85	71	118

In terms of—	Of a unit of—				
	Beef cattle	Hogs	Eggs	Butter	Wool
All commodities.....	85	104	90	115	117
Cloths, etc.....	74	90	78	100	102
Fuel, etc.....	62	75	66	83	85
Metals, etc.....	97	118	103	131	133
Building materials.....	73	89	78	99	101
House-furnishing goods....	78	95	83	105	107

Four of the five representative crops listed above improved their unit exchange position during February. The cotton index advanced 5 points, corn 2 points, wheat 1 point, hay 2 points. Potatoes were the exception, declining 5 points.

The livestock products showed a like tendency toward improvement in price position. The beef-cattle index advanced 2 points, hogs 3 points, wool 1 point. Eggs scored a further seasonal decline of 25 points. Butter remained unchanged.

As we approach closer to the spring planting season, the above table assumes more and more significance as related to the probable program this season. The indexes herewith suggest that cotton is so low in exchange value that its acreage would presumably tend to be reduced. The opposite tendency would presumably govern in the case of potatoes. Wheat acreage would probably not be affected greatly one way or the other by the price influence. The leading feed grain, corn, would seemingly be somewhat reduced were it not for the need for a replacement crop in the South. The Corn Belt apparently does plan a slight reduction. The animal products hold a relative advantage in unit exchange value though the trend of egg prices may possibly suggest a little caution to the poultry industry.

The general index of purchasing power of farm products in terms of nonagricultural commodities advanced 1 more point to .82 in February, the 5 pre-war years being considered as 100.

GENERAL BUSINESS INDICATORS RELATED TO AGRICULTURE

	1926, February	1927, January	1927, February	Month's trend
PRODUCTION				
Pig iron daily (thousand tons)----	104	100	105	Increase.
Bituminous coal (million tons)----	47	57	53	Decrease.
Steel ingots (thousand long tons)--	3, 802	3, 807	3, 726	Do.
CONSUMPTION				
Cotton by mills (thousand bales)--	565	605	590	Do.
Unfilled orders Steel Corporation (thousand tons)-----	4, 617	3, 800	3, 597	Do.
Building contracts in 27 North- eastern States (million dollars)-	288	327	336	Increase.
Hogs slaughtered (thousands)----	2, 035	2, 694	2, 006	Decrease.
Cattle slaughtered (thousands)---	1, 013	1, 136	1, 012	Do.
Sheep slaughtered (thousands)----	863	921	829	Do.
MOVEMENTS				
Bank clearings (New York) (bil- lion dollars)-----	21	26	23	Do.
Car loadings (thousands)-----	3, 677	4, 525	3, 824	Do.
Mail-order sales (million dollars)--	36	35	35	Unchanged.
Employees, New York State fac- tories (thousands)-----	515	485	491	Increase.
Average price 25 industrial stocks (dollars)-----	180	175	181	Do.
Interest rate (4-6 months' paper, New York) (per cent)-----	4. 13	4. 13	3. 88	Decrease.
Retail food price index (Depart- ment of Labor) ¹ -----	162	159	156	Lower.
Wholesale price index (Depart- ment of Labor) ¹ -----	155	147	146	Do.

¹ 1913=100.

The Business Bulletin of the Cleveland Trust Co., under date of March 15, summed up the factors underlying the business situation as follows:

"At the present time the favorable symptoms are more numerous and more impressive than the unfavorable ones. The most important adverse developments appear to be the continued slowing down in building construction, some increase in unemployment, and a larger number of business insolvencies. Perhaps the recent considerable declines in the general price level ought to be added to this list.

"On the favorable side the list is longer, and the items more important. Automobile output is increasing rapidly, despite keen competition and some price cutting, and the demand from retail buyers is rapidly approaching the figures of last year and the year before. The textile industries are more active than they have been for a long time. The iron and steel industry is steadily increasing its output, despite some price declines, and its volume of forward orders is swelling. Traffic on the railroads continues to exceed the figures of last year, and is growing. The consumption of copper is increasing."

There is still nothing on the industrial horizon, apparently, which would influence the average farmer to any material change in his plans for production this year.

GENERAL TREND OF WAGES AND PRICES

[1910-1914=100]

Year and month	General wage level ¹	Farm wages ²	Retail price of food ³	Wholesale price of food ³	Wholesale price all commodities ⁴
1910.....		97	96	100	103
1911.....		97	95	96	95
1912.....		101	101	103	101
1913.....		104	103	99	102
1914.....	⁵ 100	101	106	101	100
1915.....	101	102	104	104	103
1916.....	114	112	117	120	129
1917.....	129	140	151	166	180
1918.....	160	176	174	187	198
1919.....	185	206	192	205	210
1920.....	222	239	210	218	230
1921.....	203	150	158	143	150
1922.....	197	146	146	137	152
1923.....	214	166	151	143	156
1924.....	218	166	150	143	152
1925.....	223	168	162	156	162
1926.....	228	171	166	152	154
February—					
1921.....	211		163	150	163
1922.....	190		146	134	144
1923.....	204		146	140	160
1924.....	218		152	142	154
1925.....	220		156	156	164
1926.....					
January.....	229	159	169	155	159
February.....	225		166	152	158
March.....	229		165	150	154
April.....	227	166	167	152	154
May.....	226		166	153	154
June.....	228		165	156	155
July.....	227	174	162	153	153
August.....	227		161	150	152
September.....	231		163	151	153
October.....	231	176	165	151	152
November.....	230		167	150	151
December.....	232		167	150	150
1927.....					
January.....	232	162	164	149	150
February.....	231		161	147	149

¹ Average weekly earnings, New York State factories.² Index based on both monthly and daily wages.³ Bureau of Labor Statistics index numbers converted to 1910-1914 base.⁴ Bureau of Labor Statistics.⁵ June.

GENERAL TREND OF PRICES AND PURCHASING POWER

[On five-year base, August, 1909–July, 1914=100]

Year and month	Index numbers of farm prices							Wholesale prices of non-agricultural commodities ¹	Relative purchasing power of farmer's product ²
	Grains	Fruits and vegetables	Meat animals	Dairy and poultry products	Cotton and cotton-seed	Unclassified	All groups, 30 items		
1910.....	104	91	103	101	113	102	103	102	101
1911.....	96	106	87	95	101	103	95	96	99
1912.....	106	110	95	103	87	106	99	100	99
1913.....	92	92	108	100	97	94	100	105	95
1914.....	103	100	112	101	85	95	102	97	105
1915.....	120	83	104	99	78	95	100	101	99
1916.....	126	123	120	106	119	100	117	138	85
1917.....	217	202	173	133	187	130	176	182	97
1918.....	226	162	202	160	245	157	200	188	107
1919.....	231	189	206	182	247	162	209	199	105
1920.....	231	249	173	197	248	152	205	241	85
1921.....	112	148	108	151	101	90	116	167	69
1922.....	105	152	113	135	156	94	124	168	74
1923.....	114	136	106	147	216	109	135	171	79
1924.....	129	124	109	137	211	100	134	162	83
1925.....	156	160	139	143	177	92	147	165	89
1926.....	129	189	146	141	122	88	136	161	85
February—									
1920.....	242	252	184	205	295	171	221	244	91
1921.....	136	127	119	170	89	102	128	185	69
1922.....	102	173	108	136	128	84	118	156	76
1923.....	114	122	110	151	215	108	136	178	76
1924.....	113	123	102	152	247	98	136	166	82
1925.....	178	131	126	142	183	96	146	167	88
1926.....	140	218	146	144	142	87	143	164	87
1926									
October.....	123	136	148	144	94	97	130	160	81
November.....	121	142	142	157	88	97	130	161	80
December.....	120	137	140	161	81	91	127	158	80
1927									
January.....	120	140	140	152	85	87	126	156	81
February.....	122	142	143	143	94	84	127	155	82

¹ Computed by Bureau of Labor Statistics from wholesale prices of all commodities except those from United States farms. 1910–1914=100.² The value of a unit of the farmer's product in exchange for nonagricultural products at wholesale prices, compared with pre-war values. Obtained by dividing index of all groups (30 items) by the index of the wholesale prices of nonagricultural products.

THE TREND OF MOVEMENT TO MARKET

Figures show wheat, corn, hogs, cattle, sheep receipts at primary markets; butter receipts at five markets, compiled by this bureau. All figures given to nearest thousand; that is, three ciphers omitted.

Month	Receipts					
	Wheat	Corn	Hogs	Cattle	Sheep	Butter
	<i>Thou- sand bushels</i>	<i>Thou- sand bushels</i>	<i>Thou- sands</i>	<i>Thou- sands</i>	<i>Thou- sands</i>	<i>Thou- sand pounds</i>
Total—						
1920.....	332, 314	210, 332	42, 121	22, 197	23, 538	402, 755
1921.....	435, 606	340, 908	41, 101	19, 787	24, 168	468, 150
1922.....	413, 106	378, 598	44, 068	23, 218	22, 364	526, 714
1923.....	386, 430	271, 858	55, 330	23, 211	22, 025	545, 380
1924.....	482, 007	278, 719	55, 414	23, 695	22, 201	587, 477
1925.....	346, 381	223, 604	43, 929	24, 067	22, 100	574, 489
1926.....	362, 876	234, 873	39, 772	23, 872	23, 868	549, 472
February—						
1920.....	16, 397	24, 251	3, 422	1, 480	1, 416	24, 019
1921.....	21, 384	26, 026	4, 009	1, 190	1, 516	23, 962
1922.....	21, 851	59, 558	3, 613	1, 416	1, 400	32, 309
1923.....	21, 533	31, 901	4, 492	1, 427	1, 366	33, 611
1924.....	20, 165	44, 689	5, 335	1, 457	1, 412	40, 221
1925.....	18, 493	20, 833	4, 558	1, 530	1, 388	35, 181
1926						
January.....	19, 076	28, 268	4, 304	1, 840	1, 548	39, 424
February.....	15, 923	25, 718	3, 372	1, 551	1, 486	39, 507
March.....	15, 052	20, 080	3, 579	1, 811	1, 695	46, 077
April.....	13, 458	12, 589	3, 135	1, 711	1, 502	45, 501
May.....	15, 260	11, 972	3, 037	1, 894	1, 717	54, 464
June.....	18, 505	23, 912	3, 143	1, 871	1, 913	75, 931
July.....	68, 200	13, 353	2, 854	1, 821	1, 739	68, 393
August.....	67, 952	11, 513	2, 804	1, 997	2, 277	50, 476
September.....	46, 266	13, 740	2, 819	2, 397	3, 279	44, 761
October.....	35, 124	28, 613	3, 261	2, 674	3, 090	38, 166
November.....	28, 229	22, 587	3, 554	2, 460	1, 917	34, 180
December.....	19, 831	22, 528	3, 910	1, 846	1, 706	36, 054
1927						
January.....	19, 379	23, 658	4, 252	1, 832	1, 740	37, 705
February.....	19, 462	24, 499	3, 308	1, 555	1, 496	38, 375

Movement of wheat to market during February was almost the same as in the two preceding months and not far out of line with the usual February movement. Movement of corn increased but was not heavy. Corn receipts have been lighter than a year ago but have tended to accumulate in the markets, nevertheless.

Receipts of hogs continue light and of sheep moderately heavy.

THE TREND OF EXPORT MOVEMENT

[Compiled from the Department of Commerce reports by Division of Statistical Research of this bureau]

Year and month	Wheat, ¹ including flour	Tobacco (leaf)	Bacon, ² hams, and shoulders	Lard	Total ³ meats	Cotton, ⁴ running bales
	<i>1,000 bushels</i>	<i>1,000 pounds</i>	<i>1,000 pounds</i>	<i>1,000 pounds</i>	<i>1,000 pounds</i>	<i>1,000 bales</i>
Total—						
1920-----	311, 601	467, 662	821, 922	612, 250	1, 043, 500	6, 111
1921-----	359, 021	515, 353	647, 680	868, 942	786, 280	6, 385
1922-----	235, 307	430, 908	631, 452	766, 950	733, 832	6, 015
1923-----	175, 190	474, 500	828, 890	1, 035, 382	958, 472	5, 224
1924-----	241, 454	546, 555	637, 980	944, 095	729, 832	6, 653
1925-----	138, 784	468, 471	467, 459	688, 829	547, 361	8, 362
1926-----	193, 861	478, 769	351, 591	698, 971	428, 613	8, 916
February—						
1920-----	10, 832	39, 764	100, 109	36, 645	125, 634	634
1921-----	23, 279	41, 735	47, 485	91, 841	61, 486	484
1922-----	11, 231	25, 846	56, 003	75, 520	62, 647	326
1923-----	12, 473	24, 380	64, 488	89, 055	75, 023	355
1924-----	10, 326	38, 414	81, 108	99, 910	90, 461	470
1925-----	11, 784	23, 806	48, 041	60, 363	55, 438	792
1926						
January-----	5, 587	46, 891	46, 654	76, 670	53, 833	735
February-----	4, 742	47, 147	37, 187	65, 356	45, 292	545
March-----	7, 039	36, 167	34, 133	64, 259	40, 641	512
April-----	6, 452	43, 388	31, 410	63, 160	37, 947	506
May-----	12, 558	27, 431	30, 104	58, 154	35, 197	412
June-----	11, 210	30, 762	23, 861	56, 482	29, 959	339
July-----	19, 811	29, 760	22, 457	45, 879	28, 221	356
August-----	35, 774	26, 263	29, 090	54, 273	34, 762	385
September-----	31, 031	38, 319	26, 927	61, 577	33, 843	789
October-----	24, 098	53, 129	23, 873	46, 988	30, 384	1, 359
November-----	20, 545	49, 136	22, 384	43, 488	30, 177	1, 475
December-----	15, 301	50, 375	23, 503	62, 690	28, 746	1, 504
1927						
January-----	12, 821	66, 337	20, 597	59, 842	25, 748	1, 074
February-----	8, 997	46, 840	19, 476	49, 884	24, 313	979

¹ Wheat flour is converted on a basis of 4.7 bushels of grain equal 1 barrel of flour.

² Includes Cumberland and Wiltshire sides.

³ Includes fresh, canned, and pickled beef, bacon, hams, and shoulders; fresh, canned, and pickled pork; fresh mutton and lamb.

⁴ Excludes linters.

COLD STORAGE SITUATION

[March 1 holdings (shows nearest million, six figures omitted)]

Commodity	5-year average	Year ago	Month ago	Mar. 1, 1927
Creamery butter, lbs.....	19	25	18	8
American cheese, lbs.....	30	43	46	39
Case eggs, cases.....	¹ 34	¹ 77	¹ 253	¹ 87
Total poultry, lbs.....	104	95	145	130
Total beef, lbs.....	97	78	95	88
Total pork, lbs.....	737	610	589	672
Lard, lbs.....	83	76	70	77
Lamb and mutton, lbs.....	¹ 3, 287	¹ 3, 346	¹ 4, 447	¹ 4, 072
Total meats, lbs.....	909	746	751	824
Apples, bbls.....	¹ 4, 399	¹ 5, 300	¹ 7, 335	¹ 5, 132

¹ Thousands, or three figures omitted.

Dairy products continued to move out of storage in considerable volume during February. Butter stocks were reduced until they are markedly lower than the average amount in storage on March 1. Cheese stocks remain above average in spite of the reduction during the month.

Eggs moved out of storage but not in average volume. Stocks of eggs remaining in storage are nearly three times the average. The stocks of dressed poultry, on the other hand, remain moderately heavy.

Beef moved out of storage in about the usual amount. Stocks on hand continue slightly less than the average.

Pork, on the contrary, moved into storage, as is usual. Stocks of pork are somewhat heavier than a year ago, although below the average stocks of this date. Approximately the same statement applies to lard.

There is more lamb and mutton in storage than a year ago and about the same amount in excess of average stocks.

Although the quantity of apples in storage was reduced more than two million barrels during the month a rather heavy stock remained still to be moved.

In so far as the storage situation reflects production and market conditions it would seem to be encouraging to producers of butter, hogs, and cattle. It would appear to suggest conservatism to producers of eggs and lambs.

DAIRY STATISTICAL SUMMARY

[Thousand pounds, i. e., 000 omitted]

BUTTER SUMMARY

	February			January to February, inclusive		
	1927	1926	Per cent change	1927	1926	Per cent change
Production: ¹						
Creamery	93, 142	90, 839	+2.5	187, 488	185, 275	+1.2
Farm	32, 205	32, 770	-1.7	67, 146	68, 324	-1.7
Total	125, 347	123, 609	+1.4	254, 634	253, 599	+0.4
Net imports	784	338	-----	1, 023	2, 172	-----
In storage (first)	17, 952	39, 381	-----	34, 347	52, 785	-----
In storage (end)	8, 086	26, 313	-----	8, 086	26, 313	-----
Trade output	135, 997	137, 015	-1.7	281, 918	282, 243	-1.1
Milk equivalent	2, 855, 937	2, 877, 315	-1.7	5, 920, 278	5, 927, 103	-1.1
Receipts, 4 markets (gross)	43, 815	45, 115	-2.9	86, 687	90, 095	-3.8

CHEESE SUMMARY

Production ²	23, 516	25, 259	-6.9	45, 012	50, 759	-11.3
Net imports	4, 418	2, 796	-----	9, 669	7, 244	-----
In storage (first)	62, 136	67, 531	-----	72, 055	76, 649	-----
In storage (end)	53, 925	58, 175	-----	53, 925	58, 175	-----
Trade output	36, 145	37, 421	-3.4	72, 811	76, 477	-4.8
Milk equivalent	361, 450	374, 210	-3.4	728, 110	764, 770	-4.8
Receipts, Wisconsin warehouses	15, 104	16, 222	-6.9	28, 924	32, 623	-11.3

CONDENSED AND EVAPORATED MILK SUMMARY

Production ¹	118, 309	112, 238	+5.4	238, 784	232, 713	+2.6
Net exports	7, 044	8, 395	-----	15, 286	18, 018	-----
In manufacturers' hands (first)	80, 179	135, 662	-----	101, 320	156, 272	-----
In manufacturers' hands (end)	70, 180	118, 346	-----	70, 180	118, 346	-----
Trade output	121, 264	121, 159	+0.1	254, 638	252, 621	+0.8
Milk equivalent	303, 160	302, 896	+0.1	636, 595	631, 553	+0.8

TOTAL MILK EQUIVALENT—BUTTER, CHEESE, AND CONDENSED MILK

Production	3, 163, 220	3, 128, 972	+1.4	6, 394, 394	6, 414, 952	-0.3
Trade output	3, 520, 547	3, 554, 421	-0.9	7, 284, 983	7, 323, 426	-0.5

DRY MILK

Skim milk (stocks, Mar. 1)	6, 183	4, 345	-----	³ 8, 966	4, 472	-----
Imports (net)	105	113	-----	64	225	-----

¹ Compiled from special reports to this bureau.³ Jan. 1.² Estimated from receipts at Wisconsin warehouses.

EGG AND POULTRY STATISTICAL SUMMARY

[Thousands, i. e., 000 omitted]

STOCKS IN STORAGE, MARCH 1, 1927—UNITED STATES

	Shell eggs	Frozen eggs	Dressed poultry
	<i>Cases</i>	<i>Pounds</i>	<i>Pounds</i>
1927-----	87	25, 745	129, 608
1926-----	77	24, 167	95, 397
Change-----	+10	+1, 578	+34, 211
Per cent-----	+13. 0	+6. 5	+35. 9
Per cent change from 5-year average-----	+55. 8	+48. 9	+24. 2

IMPORTS AND EXPORTS OF POULTRY AND EGGS, JANUARY-FEBRUARY 28, 1927

	Imports		Exports	
	1927	1926	1927	1926
Shell eggs (dozens)-----	59	51	4, 417	4, 207
Whole eggs, dried (pounds)-----	668	44		
Whole eggs, frozen (pounds)-----	2, 130	728	1 25	1 59
Yolks, dried (pounds)-----	596	490		
Yolks, frozen (pounds)-----	1, 219	382		
Egg albumen, dried (pounds)-----	375	401		
Egg albumen, frozen, prepared or preserved (pounds)-----	1, 346	505	52	64
Live poultry (pounds)-----	119	124		
Dressed poultry (pounds)-----	936	1, 093	2 794	2 653
Poultry prepared in any manner (pounds)-----	215	144	-----	-----

¹ Includes all forms of frozen and dried eggs.² Includes game.

RECEIPTS AND APPARENT TRADE OUTPUT AT FOUR MARKETS—EGGS (CASES)

	February			Jan. 1-Feb. 28, 1927		
	Receipts	Net storage move- ment	Apparent trade output	Receipts	Net storage move- ment	Apparent trade output
1927-----	1, 122	-122	1, 244	2, 038	-536	2, 574
1926-----	1, 018	-334	1, 352	1, 870	-831	2, 701
Change-----	+104	-----	-108	+168	-----	-127
Per cent-----	+10. 2	-----	-8	+9	-----	-4. 7

RECEIPTS AND APPARENT TRADE OUTPUT AT FOUR MARKETS—DRESSED POULTRY (POUNDS)

1927-----	18, 118	-8, 943	27, 061	44, 771	-7, 088	51, 859
1926-----	18, 576	-8, 255	26, 831	44, 698	-8, 601	53, 299
Change-----	-458	-----	+230	+73	-----	-1, 440
Per cent-----	-2. 5	-----	+0. 9	+0. 2	-----	-2. 7

THE DAIRY SITUATION

Developments in butter markets are the prominent features in the dairy situation this month, not only from the industry standpoint of their cause and effect, but also from the standpoint of general interest. The whole situation can be briefly summed up as an acute shortage of domestic supplies on the one hand, and an uncertain supply of foreign butter on the other.

Price changes toward the middle of the month were first sharp declines and then sharp advances, with current prices at this writing (March 24) higher even than in 1923, in which year March averaged 49 cents, the highest record since 1920. A further factor to note in connection with current butter prices is that there is now a very narrow range between top grades and lower grades. Reports from wholesale markets advise that there are only occasional sales of under-grades, which may be taken partly to mean that on account of the general scarcity buyers are less critical of quality. Where there were differences a month ago of 3 cents in price on account of quality these differences now have narrowed down to as close as 1 cent. This condition verifies the existence of a real shortage.

The shortage of supplies is further revealed by reference to market receipts and storage stocks. Receipts at wholesale markets continue to run less than last year, about 3 per cent less for the month but 6 per cent less for the past three months. Reports and estimates on current production differ somewhat, indicating on the whole, however, that slight increases during recent weeks have not been sufficient to bring total production this year much beyond that of 1926. Storage stocks are definitely known to be at record low levels. On March 1 stocks of butter in storage were 8,000,000 pounds, and since then further withdrawals have reduced holdings to an amount which is unimportant from the supply standpoint. Stocks are only about one-third of what they were at the close of last season. Current trading stocks in the hands of distributors are relatively light, probably half of those a year ago.

Imports of butter during the month have come in from Argentina, New Zealand, and Denmark, mostly from the two former. A cargo of unknown quantity reported due late in the month from New Zealand is an immediate cause of much speculation. Foreign markets will continue to exert an unusual influence upon domestic prices until domestic production increases sufficiently to relieve the existing shortage.

Not much need be said regarding other dairy products. All markets are firm, being supported by the conditions just mentioned. Cheese production is apparently about 10 per cent below last year, and stocks are similarly lower. Prices average a cent higher. March fluid milk prices show practically no change from last month. March 1 condensed and evaporated milk stocks of 70,000,000 pounds are the lowest on record for that date since such reports were established in 1920.

L. M. DAVIS,
Division of Dairy and Poultry Products, B. A. E.

THE EGG AND POULTRY SITUATION

The egg markets have reacted somewhat from the declining tendency which was the principal feature of the situation during February. Since about the first of the month, when the low point in price appeared, the markets have held their own and more. There has been no marked price advance, only small fractional recovery from the February decline. The net advance for March amounted to no more than 1 cent and the prevailing level remains some 3 cents below the values of this same period last year.

The chief supporting factor in the market has been, of course, the seasonal demand for eggs for storage. The into-storage movement during March has been quite heavy, the increase in 26 cities amounting to about 400,000 cases for the first 26 days of the month compared with 100,000 cases for the same period in 1926. At the beginning of February egg-storage stocks were considerably below the preceding year. Now, at the close of March, stocks far exceed those of March, 1926. To some extent this is attributed to an earlier spring, which resulted in earlier supplies of quantity and quality suitable for the cold-storage warehouse.

Egg production, as evidenced by arrivals at the leading terminal markets, continues above that of a year ago. For the month of March this increase has been about 4 per cent and for the period January to March, inclusive, about 5 per cent over 1926. This greater volume of eggs, either a result of more hens, or more favorable weather conditions, or both, has forced prices to a point below last year and changed the storage shortage of a short time ago into a surplus of some proportions. The developments in production during the next few months will largely determine the trend of market prices. The question concerning the trade in this particular is whether the present heavy egg production will be unsustained or whether it will be in effect for a period long enough to result in a surplus of eggs for the remainder of the season. Prices will be affected accordingly.

The usual late winter and early spring demand from South American countries is reported as offering some support to the market situation. Unofficial trade reports state the March exports from New York as somewhat more than 50,000 cases. Past experience suggests that this demand may be expected to continue up to May or June.

The poultry market is not regarded as very satisfactory. Supplies of cold-storage poultry are the heaviest ever known and reductions are not occurring any more rapidly than in 1926. As a consequence, prices are several cents lower than last year on practically all grades, with no marked effect in stimulating trade activity. Receipts are not as heavy as a year ago, possibly the result of the lower prices, but, of course, the large storage reserves more than offset this difference. The live poultry markets have lost the firm tone which was a feature early in March. At that time supplies were moderate, clearing well, and prices well maintained. Since that time receipts have increased and with the warmer weather demand has slackened. This caused accumulation of supplies and declines in price.

C. E. ECKLES,
Division of Dairy and Poultry Products, B. A. E.

THE WORLD WHEAT SITUATION

Wheat seedings for the crop of 1927 in all countries reporting to date is 3.4 per cent greater than the winter wheat seedings in the same countries last year. The winter wheat area of these countries last year was about 60 per cent of the total wheat area of the Northern Hemisphere and about one-half of the total wheat area of the world. Areas have been increased in India, the Ukraine and several European countries, while reductions are reported in North Africa and the Balkan countries.

In most countries the condition of the wheat crop at this early date is not very significant. In India, however, wheat harvest has already begun and condition reports indicate that the average yield may be less than last year. It now seems probable that India will have very little, if any, wheat to export this year. The crops of North Africa were sown under unfavorable conditions, but recent reports indicate rains which may result in some improvement before harvest. It is still possible that even with considerable reduction in area the North African wheat crops may equal last year's crop which was short because of low yields. In Europe as well as in the United States the winter has not been hard upon wheat, and the condition is reported to be average or above in many European countries.

Among the most significant developments of the past year has been the increase in Russian exports. Shipments of that country through the Bosphorus at the end of February amounted to nearly 27,000,000 bushels as compared with 15,000,000 bushels last year. Since Russia's shipments for the period March 1 to July 1 last year amounted to 12,000,000 bushels it seems likely that Russia's exports this year will amount to between 35 and 45 million bushels of wheat. The Ukraine is shifting from rye production to wheat production and reports that winter seedings amount to 9,500,000 as compared with 7,500,000 last year, an increase of nearly 25 per cent. This shift suggests that with yields as good as last year Russia may have more wheat to export from the 1927 crop than was exported from the 1926 crop.

The prices of wheat in world markets for the year to date have been remarkably stable except as they have been affected by changes in ocean freight rates. At the beginning of the year, with Northern Hemisphere crops being reported somewhat less than last year, it seemed that prices should average somewhat better; but as the season progressed and the Southern Hemisphere developed larger crops, with some increase in exports from Russia, prices remained fairly stable and did not rise as in the fall of 1925. Not having risen to such a high point and supplies remaining not very much greater than last year, they have not fallen as they did from January to March last year. A decline in the general price levels of many countries has doubtless been a factor also in determining a lower wheat price level for the year. A temporary increase in freight rates together with declining price level in some countries, and depression in others, have caused many importing countries to buy on a hand-to-mouth basis. Stocks in importing countries are consequently low which will tend to maintain prices through the remainder of the season. The course of prices through the remainder of the season, however, will be influenced considerably by crop condition reports and earliness or lateness of the harvests in the important producing countries.—*Division of Statistical and Historical Research, B. A. E.*

THE COTTON SITUATION

The preliminary final report on cotton ginning of the crop of 1926 was released on March 21, and it indicated 17,910,258 bales of 500 pounds. The department's estimate of December 8, was 18,618,000 bales. The 1926-27 cotton season has presented sharp contrasts, outstanding among which were the largest cotton acreage ever planted, less boll weevil activity, and the passing into trade channels of a very large quantity of cotton without very much effect on prices after an initial decline which occurred early in September.

The 1926 cotton crop was larger than any American crop ever produced by about 1,750,000 bales. Consumption by American mills for the seven months ended February 28 amounted to 4,024,487 bales, compared with 3,745,552 bales for the corresponding period in 1926. World consumption of American cotton reported by the International Federation of Master Cotton Spinners' Associations for the first six months of this season amounted to 7,224,000 bales, compared with 6,974,000 bales for the corresponding period a year ago. In addition to this large consumption, exports have also been of record proportions, amounting to approximately 1,900,000 bales more than for the corresponding period a year ago. Some trade reports have ventured to say that this season's exports will reach the figures of the 1912-13 cotton season, which were 10,681,758 running bales.

Germany has been the largest taker of American cotton so far this season, having imported approximately 2,300,000 bales, compared with about 1,450,000 bales for the corresponding period a year ago. Since the settlement of the coal strike in Great Britain her takings of American cotton have increased, and exports to Great Britain to March 18 of this season amounted to approximately 2,080,000 bales, compared with 1,870,000 bales for the corresponding period a year ago.

Among the features outstanding in the export movement this season have been the shipments of American cotton to British India, approximately 170,000 bales having gone to that country during the first seven and one-half months of this season. China, also among the larger cotton growing countries, has taken American cotton in sizeable quantities. Among the explanations of the movement of American cotton to these countries are said to be the comparatively low prices prevailing for American, as well as reduced production in both India and China, generally attributed to unfavorable weather conditions.

Domestic dry goods centers have been quite active throughout this season so far.

The present price for middling spot cotton in 10 of the designated markets is hovering around the $13\frac{3}{4}$ -cent level, which compares with the high point touched early this season of a little over 18 cents per pound and the low point of 11.4 cents reached early in December. The 10 designated spot markets have been unusually active this season, which is evidenced in the volume of sales of spot cotton, which so far this season have amounted to about 5,600,000 bales, compared with about 4,786,000 bales in 1925-26 and about 4,482,000 bales in 1924-25.

The 1926 acreage for harvest was placed at 47,653,000. Preparations for the 1927 crop are now fairly well under way.

A. M. AGELASTO,
Division of Cotton Marketing, B. A. E.

THE POTATO SITUATION

Possibilities in the market for old potatoes become limited in late spring. Shipments from storage decrease rapidly after March. Interest shifts somewhat to the new crop.

Early reports indicated that about 8 per cent more land would be planted to potatoes in leading commercial districts of the region from Florida north to Virginia and southwest to California. The greater part of the gain in the commercial area was reported in the very early shipping States, including Florida and Texas particularly, but there were some increases in Louisiana, North Carolina, and California. In most parts of the South the larger intended plantings reported, amounting to from 10 to 25 per cent or more in the various States, are mainly in the nonshipping districts. The market movement from the southern potato region started especially early this year despite local setbacks from the March freeze. This early beginning of the shipping season and the probable moderate area of the mid-season commercial crop are both features tending to a more even supply of potatoes during the summer and suggesting possibly a favorable opening for the early dug potatoes of the main crop.

A larger increase, perhaps 15 per cent, is planned for the potato region as a whole, with heavy gains in the northern Great Lakes region and the Western States, but the lower price and liberal shipments of old stock toward the end of the active market season hinted caution to planters. Later reports suggested that the proposed increase might be modified somewhat because of the rather unsatisfactory potato markets prevailing during a part of the planting season.

March reports showed some 14,000,000 bushels more potatoes held in storage in the late shipping States than were held at the same time last year. This supply seems to provide for the three or four million bushels increase reported in the holdings of seed potatoes and would allow shipment of at least 5,000 cars more than last year's total without exceeding the usual percentage of shipment. That is, the city supply could be met from the stock on hand without unduly reducing seed reserves or depleting local markets. On the other hand, the figures do not show more than enough potatoes for all requirements.

Prices in city markets this spring have ranged about midway between those of the two seasons before and are probably high enough to bring out the available stock from all sections fairly close to the markets. Largest holdings seem to be in the northern Lakes region. Supplies in the far western States seem to be very limited, and stocks in Maine and New York are reported lessening very fast.

Prices near the end of March averaged about \$1.75 per 100 pounds at representative country shipping points, compared with \$4 a year ago and \$1.25 two years ago. Florida potatoes started the new season at \$16 to \$17 per barrel. Imports from Canada have been somewhat larger than they were last season.

Sweet potatoes may compete more strongly the coming season, at least in the South. Early reports show intended plantings 25 to 50 per cent heavier in many States of the Cotton Belt. These produce chiefly the soft-fleshed type of sweet potatoes popular in southern markets. Only slight increase is expected in the northern sweet potato States, which are the chief source of supply of the markets.

G. B. FISKE,

Division of Fruits and Vegetables, B. A. E.

THE LAMB MARKET SITUATION

Market supplies of sheep and lambs during April, May, and June are expected to be about equal in volume to the number marketed in the same period last year according to the best information available. The offerings, however, will include a larger proportion of spring lambs and fewer fed lambs. Receipts of grass-fat yearlings and wethers from Texas also are expected to be somewhat larger. The demand for dressed lamb apparently is not likely to be greatly different from last year.

Sheep and lambs on feed on January 1 were distributed as follows during the last three years:

	1925	1926	1927
Corn Belt, east-----	720, 000	986, 000	1, 226, 000
Corn Belt, west-----	1, 236, 000	1, 378, 000	1, 236, 000
Total Corn Belt-----	1, 956, 000	2, 364, 000	2, 674, 000
Western States-----	2, 051, 000	2, 252, 000	1, 577, 000
Total United States-----	4, 007, 000	4, 616, 000	4, 251, 000

Fed lambs from the Corn Belt are marketed from November to March, whereas those from the Western States are marketed largely from February to May. Last year Corn Belt feeders realized very good prices for their early lambs and consequently were encouraged to expand their feeding operations this year. Western feeders on the other hand being forced to sell on a low market last spring curtailed their operations this year.

As a result of the increased numbers on feed in the Corn Belt market receipts of sheep and lambs during January and February were almost 7 per cent greater than in the same months last year. The price level at the beginning of the year was down around \$12, or \$3.35 lower than on January 1, 1926, but began to strengthen late in January and advanced about \$1 per 100 pounds in February. The rise continued in March in response to a decrease of about 10 per cent in receipts under March last year, and during the past week or two prices have been almost \$2.50 above the level prevailing at the beginning of the year and \$1 higher than a year ago. This price movement was just the reverse of what occurred during this period in 1926 when values declined almost \$3 from early in January to the middle of April. Recent reports indicate that the greater part of the lambs on feed in the Corn Belt on January 1 have been marketed. Shipments of feeding and shearing lambs into the Corn Belt since January 1 this year, however, are indicated as around 50,000 larger than last year.

Apparently there was a tendency in Colorado and western Nebraska to hold fed lambs back in anticipation of higher prices, but they are now moving to market in volume. Supplies on March 1 were estimated to be about 400,000 head less than last year, a decrease of 40 per cent. Feeding conditions in those areas were very favorable this year and the lambs made exceptionally good gains. This has resulted in bringing a large part of them to weigh above the desired maximum and only a small proportion is likely to sell near the top of the price range for fed lambs. A larger early movement of California spring lambs may increase the discount on heavy fed lambs.

The spring lamb movement is expected to be considerably earlier this year than last and also will be in larger volume. The condition of the early spring crop on March 1 was reported as above average and better than the year previous. Feed and weather conditions in nearly all spring lamb States are reported as good as, or better than last year and prospects for spring pastures and ranges are especially good. Most of the early lamb States reported an increase in the number of ewes lambing and a high percentage of lambs saved. The market supply of spring lambs up to July 1, is expected to be about 10 per cent greater than last year, the increase together with the increase in grass-fat wethers from Texas being just about equal to the anticipated decrease in fed lambs arriving between March 1 and July 1.

The marketing of the 1927 spring lamb crop has already started in California where conservative trade estimates indicate that between 300,000 and 350,000 lambs had been contracted by March 15 for May delivery at prices ranging from \$11.50 to \$12 at the ranch a few choice lots going for \$12.50. Last year little early contracting was done, due both to the unsatisfactory price situation and to the uncertainty as to the condition of the lambs because of the drought conditions which prevailed until early in April.

The total eastward movement from California up to July 1 is expected to reach about 400,000 head, or about 100,000 more than were shipped East last year. Feed conditions are reported excellent in the State, and present prospects indicate that the lambs will average somewhat heavier and be of better quality than those shipped last year. The California movement is expected to reach its peak about the second week in May and will be followed by shipments from Tennessee which will likely reach their peak a week later. Shipments from Kentucky, Virginia, the Corn Belt, and Idaho will follow next in order.

C. A. BURMEISTER,

Division of Marketing, Livestock, Meats, and Wool, B. A. E.

CONDITIONS IN COLORADO

Agricultural conditions in Colorado have improved greatly during the past few weeks. The weather has continued mild with considerable precipitation well distributed over most of the State. On the whole, sufficient moisture has fallen to put the surface soils in excellent condition to start spring work and planting. Most of the high altitudes are covered with a good depth of snow that insures fair prospects for irrigation. Reservoir supplies in the northern part of the State are fully up to normal for this season of the year, while those in the southeast are still somewhat short. In most of the plains sections in the east and southeast there was a deplorable deficiency of subsoil moisture so that further abundant and timely moisture, in addition to that recently fallen, will be required as the season advances. However, the present outlook is very encouraging.

All livestock are reported as doing well both in the breeding herds and in the feed lots; except, since recent storms, ranges have continued open and available for more than the usual amount of grazing. There is still a surplus of hay reported in most localities where hay is an important crop and feed is generally in excess of the requirements; prices are low and the hay crop is slow sale. There has been very little loss of livestock reported and mostly only from minor causes.

Reports indicate a strong desire to restock and increase the breeding herds of cattle and sheep wherever suitable stock is available. Finances for this purpose are easier than last year. All cattle suitable for the breeding herds are selling above the market and from \$10 to \$20 higher than a year ago. Breeding ewes are selling well up to the figures of last year. Cattle feeders appear to be making money this season, and recent advances in prices of lambs make the outcome more encouraging for the sheep feeders. Recent sales would enable them to break even and possibly make a little profit. Some wool contracted around 29 to 32 cents. No reports of lambs contracted for fall delivery as yet.

In the nonirrigated sections of the State, crops were poor last season, especially in the eastern and southeastern portions of the State. Farmers in these sections are finding it difficult to get by financially. They will of necessity operate as cheaply as possible and will plant crops that will afford the most with the least outlay for seed and equipment.

There have been many farm sales, and equipment has sold at very low prices. Reports indicate more than the usual call for lands by farm tenants who wish to be completely furnished. There has been but little sale of lands except in localities where good crops of potatoes and beets have been grown. These crops have brought high prices the past two years. In dry farming sections good improved farms are selling at very low prices on the best of terms, with scarcely any down payment and on the crop payment plan. Farm loans continue difficult to negotiate.

Sugar-beet growers and the company operating in northern Colorado have agreed upon a contract for the coming season, and growers are practically assured of a minimum of \$8 per ton for beets. This will stimulate an increased acreage for this crop. Potatoes have been marketed more rapidly than a year ago at very satisfactory prices, and a larger acreage of potatoes is expected the coming season. Most other crops appear to stand about steady on acreage, except that growers indicate an increased acreage in barley, as it is a fairly good irrigated and dry-land crop that can be sold as a cash crop or fed to stock, whichever appears most advantageous.

W. W. PUTNAM,
State Statistician, B. A. E.

SUPPLY OF FEED GRAINS SMALLER THAN LAST YEAR

The supply of feed grains, including corn, oats, and barley, available during the remainder of the year is nearly 380,000,000 bushels smaller than at this time last year. The potential demand for these grains as indicated by the numbers of livestock on farms January 1 is about the same as last year. There are fewer horses and cattle but more sheep and hogs, with a possibility of an increase in the number of hogs through a larger spring pig crop.

Stocks of corn on farms March 1, according to the department's estimate totaled 1,113,690,000 bushels, or 216,000,000 bushels smaller than the amount on farms March 1, 1926. Stocks in commercial channels, however, are materially larger than a year ago and reflect the changed location of the supply this year. There was a larger crop than usual in the Southern States which caused heavier consumption in that territory but restricted the demand for grain from the Corn Belt. The movement from the surplus-producing States of

the Central West as indicated by receipts at the principal markets has been considerably smaller for the present crop year than for the previous year. The absence of a shipping demand, however, together with no material increase in the commercial consumption of corn, has resulted in the accumulation of unusually large stocks at the markets. These stocks now total around 52,000,000 bushels in the markets reporting to the department.

This large accumulation of stocks in commercial channels has been the principal weakening factor in the corn market, since the smaller stocks on farms the 1st of March indicate a larger consumption of corn this year than last. The total supply available during the remainder of the crop year is only about 20,000,000 bushels more than were disposed of during this period last year. Stocks at the close of the year, however, are not likely to be reduced to this small figure. It would appear, therefore, that the effective supply of corn compared to the potential demand is considerably below what it was a year ago.

The smaller supply of oats is apparently just a reflection of the smaller crop, as the disappearance from the first of the crop year, August 1 to March 1, was less than for the same period last year. There has been a good demand for high quality oats but an unusually large percentage of the crop was of poor quality which has sold slower and for which there has been only a limited demand. While fewer oats are available than were disposed of during the remainder of the season last year, they are sufficient apparently for domestic requirements, although the carry-over will probably not be so great as the unusually large amounts carried over during the past two years.

Farmers have expressed an intention of increasing the acreage about 3 per cent this year. This, together with favorable progress of the winter oats in the Southern States, appears likely to prevent any material advance in oats prices during the next few months.

The shortage of other feed grains in the North Central States has caused a larger consumption of barley in that territory and resulted in smaller stocks both on farms and in commercial channels on the 1st of March. The amount still available, however, is about the same as was disposed of from March 1 to August 1 last year but would not provide for any carry-over, which amounted to around 12,000,000 bushels on August 1, 1926.

The prices of feed barley have been influenced principally by the supply of other feed grains. The inferior quality, however, of a large percentage of the crop has been responsible for the sharp premiums which are being paid for desirable malting types. Types suitable for pearling or malting are selling around 80 to 85 cents per bushel, while feeding barley is selling at the principal markets at around 60 to 65 cents per bushel.

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REVIEW OF THE WINTER HOG MARKET

A comparison of the inspected slaughter of hogs and the production and consumption of pork and lard from such slaughter, during the winter packing seasons, November to February, inclusive, of 1925-26 and 1926-27, is of interest both in itself and as giving some indication of the probable situation during the rest of the marketing year, March to October.

The following table gives the most pertinent facts for the period:

Four months, November–February	1925–26	1926–27
Inspected slaughter, hogs (head)-----	16, 030, 970	15, 911, 625
Average live weight (pounds)-----	228. 36	222. 13
Total dressed weight (pounds)-----	2, 888, 527, 000	2, 683, 854, 000
Production, lard-----	561, 929, 000	521, 788, 000
Storage, November 1, pork-----	392, 605, 000	405, 623, 000
Storage, March 1, pork-----	611, 807, 000	672, 111, 000
Winter accumulation-----	219, 202, 000	266, 488, 000
Storage, November 1, lard-----	37, 256, 000	72, 355, 000
Storage, March 1, lard-----	76, 553, 000	77, 390, 000
Winter accumulation-----	39, 297, 000	5, 035, 000
Exports, pork-----	178, 404, 000	103, 300, 000
Exports, lard-----	256, 982, 000	222, 514, 000
Indicated domestic consumption ¹ -----	2, 194, 642, 000	2, 086, 517, 000
Average cost live hogs ² -----	11. 72	11. 75
Average price pork products (eastern markets) ³ -----	25. 00	25. 24
Average price lard (eastern markets) ⁴ -----	16. 49	14. 02
Average price Danish bacon (Liverpool) ⁴ -----	27. 67	21. 56
Average price lard (London) ⁴ -----	19. 32	16. 30

¹ Total dressed weight minus storage accumulation and exports.

² Computed from monthly average costs.

³ Covers pork loins, skinned shoulders, bacon, hams. Weighted by products but not by monthly sales.

⁴ Simple average of reported monthly prices.

This table shows that with a small reduction in slaughter, but with a greater reduction in total dressed weight due to smaller average live weights, the average cost per hundredweight of hogs was about the same, the winter of 1926–27 being 3 cents greater. But while the average for the winter showed little change there was considerable difference in the trend. During November and December the 1926 cost was above the 1925, but during January and February the 1927 cost was below the 1926. In 1925–26 the monthly cost advanced from \$11.08 in December to \$12.47 in February; in 1926–27 the December cost was \$11.55 and the February \$11.73.

Comparison of the export figures for the two periods and the prices of bacon and lard in England, indicates that the foreign situation was responsible for a considerable part of the growing weakness in the domestic hog market the past winter.

Inspected slaughter during the remainder of the crop year March to October, 1927, is indicated as about the same as during the same period in 1926. If the present weakness in the foreign market, which seems to be due to both a reduced consumer demand and an increased European supply of hogs, continues and the low price of cottonseed oil continues to depress the domestic lard market, hog prices can not be expected to average as high as last year nor to reach as high peaks either in the spring or fall.

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